

Listing of the Claims:

1. (Previously Presented) For use in a customer computer network having at least one node capable of executing digital content from a digital content source on the customer computer network or executing digital content from a digital content source on an application service provider, a licensing method comprising the steps of:

- a. providing licensed units to a customer;
- b. providing independently selectable digital content;
- c. assigning a predetermined number of customer computer network assigned units to each independently selected digital content when the digital content is run on the customer computer network;
- d. assigning a predetermined number of application service provider assigned units to each independently selected digital content when the digital content is run on the application service provider;
- e. charging a number of checked out units to the customer computer network based on the digital content currently being run by the customer on the customer computer network and on the application service provider;
- f. selecting through the customer computer network one of the customer computer network and the application service provider for execution of a selected digital content;
- g. determining a number of available units equal to the difference between the total licensed units to the customer computer network and the total checked out units charged to the customer computer network for digital content currently being executed on the customer computer network and on the application service provider for the customer; and
- h. determining whether a requested digital content is to be executed or denied execution on the selected one of the customer computer network and the application service provider based on the difference between the available units on the customer computer network requesting execution of the digital content and the assigned units of the selected digital content on the selected customer computer network and the application service provider.

2. (Original) The method of claim 1 further comprising the steps of:
when the available units on the customer computer network requesting execution of a digital content are greater than or equal to an application service provider required units of the digital content requested by the customer computer network, determining when the application service provider required units of the requested digital content to be executed on the application service provider are to be charged to the available units.

3. (Original) The method of claim 1 wherein the application service provider assigned units of at least one of the digital content run on the application service provider differ from the customer computer network assigned units of the identical digital content run on the customer computer network.

4. (Original) The method of claim 1 further comprising the steps of:
upon termination of a run of digital content on the application service provider, calculating and adding the application service provider returned units of the terminated digital content to the available units on the customer computer network.

5. (Original) The method of claim 1 further comprising the steps of:
requesting execution of one digital content on the application service provider; and
determining if the application service provider can immediately execute the requested digital content.

6. (Original) The method of claim 5 further comprising the steps of:

if the application service provider cannot immediately execute the requested product, pre-charging the application service provider assigned units of the requested digital content to the requesting customer computer network; and
queuing the requested digital content for subsequent execution on the application service provider.

7. (Original) The method of claim 1 further comprising the step of:

determining whether to charge the application service provider required units at one of the time of the request of execution of the digital content and at the time of execution of the requested digital content on the application service provider.

8. (Previously Presented) The method of claim 7 further comprising the step of:

when the application service provider required units are to be charged at the time of the request, and the available units are greater than or equal to the application service provider required units of the requested digital content, locking the application service provider required units and charging the application service provider required units to the available units at the requesting customer.

9. (Original) The method of claim 8 further comprising the step of:

determining if the application service provider is able to immediately execute the requested digital content.

10. (Original) The method of claim 9 wherein:
if the application service provider is not able to immediately execute the requested digital content, waiting for a change in the status of the available units.

11. (Previously Presented) .The method of claim 9 wherein:
when the application service provider is able to immediately execute the requested digital content; and if the available units are greater than the

application service provider required units of the requested digital content and the application service provider required units of the requested digital content have been locked, executing the requested digital content.

12. (Original) The method of claim 7 wherein if the application service provider required units are to be charged to the available units at the time of execution of the requested digital content, further comprising the step of:

at the time of execution, checking if the available units are greater than or equal to the application service provider required units and, if yes, setting the available units equal to the prior available units minus the application service provider required units and, if no, leaving the available units unchanged.